## Blanchard, Walker, O'Quin & Roberts

(A Professional Law Corporation)

1400 Bank One Tower, 400 Texas Street Shreveport, Louisiana 71101 Telephone (318) 221-6858 Telecopier (318) 227-2967 bwor@bwor.com

> Mailing Address: Post Office Drawer 1126 Shreveport, Louisiana 71163-1126

Newton C. Blanchard (1922)
ELIAS GOLDSTEIN (1962)
HENRY C. WALKER (1963)
ARTHUR O'QUIN (1972)
WILTON H. WILLIAMS, JR. (1975)
LEON O'QUIN (1979)
JOSEPH W. MILNER (1989)
ROBERT ROBERTS, JR. (1991)
CLYDE W. THURMON (1992)
PIRE HALL, JR. (1999)

OF COUNSEL
GILBERT L. HETHERWICK
ROBERT ROBERTS III
NEILSON S. JACOBS

MARLIN RISINGER, JR. (RETIRED)

August 29, 2001

\* Board Certified Tax Law Specialist

J. Edgerton Pierson, Jr., P.C. \*+

Wm. Timothy Allen III REGINALD E. CASSIBRY, P.C.

John T. Cox, Jr.

W. MICHAEL ADAMS

J. DAVID GARRETT

CECIL W. TALLEY ROBERT W. JOHNSON

MICHAEL E. RIDDICK

E. KEITH CARTER

PAUL M. ADKINS

A. M. Stroud III Leslie Idom Kalmbach Gary H. Love

Pamela G. Nathan

STACEY D. WILLIAMS

KIMBERLY D. BELANGER

+ BOARD CERTIFIED ESTATE PLANNING AND ADMINISTRATION SPECIALIST

Honorable Philip N. Asprodites Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

**RE: HEARING APPLICATION** 

James Lime Formation, Reservoir A
James Formation, Reservoir C

Benson Field

DeSoto Parish, Louisiana

Our File No. 370306.0011

Dear Sir:

On behalf of PINNACLE OPERATING COMPANY, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the James Lime Formation, Reservoir A, and the James Formation, Reservoir C, in the Benson Field, DeSoto Parish, Louisiana:

- 1. To dissolve the drilling and production units designated as JL RA SUG, JL RA SUGG and JL RA SUL, which were created by the Office of Conservation 496-D Series of Orders for the James Lime Formation, Reservoir A, in the Benson Field, DeSoto Parish, Louisiana.
- 2. Simultaneously with the dissolution of the abovesaid units, to create four (4) additional drilling and production units (to be designated as James RC SUH through James RC SUK) for the exploration for and production of gas and condensate from horizontal wells drilled to the James Formation, Reservoir C, in the Benson Field, DeSoto Parish, Louisiana, as shown on the plat attached hereto.
- 3. To force pool and integrate all separately owned tracts, mineral leases, and other property interests within each of the proposed units, with each tract sharing in unit production on a surface acreage basis of participation.

- 4. To designate an operator and a unit well for certain of the units to be created hereby.
- 5. Except to the extent inconsistent herewith, to provide that the provisions of Office of Conservation Order No. 496-D-7, effective August 8, 2000 shall apply to the units created herein.
- 6. To provide that the existing units for the James Lime Formation, Reservoir A, in the Benson Field, DeSoto Parish, Louisiana, which are designated as JL RA SUE, JL RA SUF, JL RA SUH, JL RA SUHH and JL RA SUK, shall remain in force and effect with respect only to exploration and production from vertically drilled wells within said units and such units shall not apply to any future horizontal wells drilled to the James Formation, Reservoir C, within the units to be hereby created.
- 7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The James Lime Formation, Reservoir A, and the James Formation, Reservoir C, in the Benson Field, DeSoto Parish, Louisiana, were fully defined in Office of Conservation Order No. 496-D, effective April 1, 1980.

Petroleum, L.L.C., 400 Texas Street, Suite 800, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. David Benscoter at (318) 221-3516, during normal business hours, or write Mr. Benscoter at the above address, in order to arrange a time and date for such inspection. Copies of such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached and a copy of this application, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons required by the Rules of Procedure. The Applicant will also arrange for mailing, posting and publication of the legal notice of this hearing in accordance with the Rules of Procedure.

By Pre-Application Notice dated May 4, 2001, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received a request for a conference, and accordingly, a Pre-Application Conference was held on August 15, 2001 at 10:a.m. in the Offices of Blanchard, Walker, O'Quin & Roberts and a copy of the Attendance List is attached hereto. Representatives of Ettco expressed opposition to the Applicant's proposal with respect to Sections 11 and 14, Township 10 North, Range 14 West. No counterplans were filed. Following a general discussion, the conference was adjourned. In an effort to resolve any current dispute with Ettco and to give the parties additional time to try to resolve their

Commissioner of Conservation August 29, 2001 Page 3

differences, Applicant has revised its proposal to exclude Sections 11 and 14, Township 10 North, Range 14 West and has deleted the proposed James RC SUL and James RC SUM from its application. A revised unit plat is attached hereto.

A check in the amount of \$700.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

WTAIII:bp Enclosures Wm. Timothy Allen III

ATTORNEYS FOR PINNACLE OPERATING

COMPANY, INC.

cc: Mr. James C. Broussard, Shreveport District Manager

Office of Conservation (w/enclosures)

cc: Interested Owners, Represented Parties

and Interested Parties (w/copy of revised plat only)

N		<u> </u>				E	1
					JL RA SUCC		
22		23		24	JL RA SUDD	20	. 21
						JAMES RD SUA	
				Amoco Marshall		Barnwell Golden	
Ţ		26		9100 JL RA SUE	JL RA SUEE	5028 BENSON	l I FIFI D
Olin   NcMillan 27				JAMES RC SUK	Carter Bailey		
φ' <sup>'</sup>	<b>.</b>			JL RA SUF	30,1	29	28
JAMES RE	i 3 SUH			8alley (\$) 5800	7809' JL RA SUFF	JAMES RD SUB	
	1	JAIVIES	KB SUI		JL RA SUGG	TXO	
Celley 34	Marathon   Parker	35		JAMES RC SUJ	Borner Pellor	Pollock	
	- <del></del>			עוניינייניינייניי 36 אינייניינייניי	JAMES RC SUI  36  Ampso JL RA SUH Politoce Parines		33
☆ <sup>I~A</sup> 7517				Police Barnesii	GO/SON Bernsell 古	Livems	
		Marat <i>Bissa</i>	thon ''' (\$\frac{1}{4})	(e) 6 (0) 5 50 5	7000 \$ 8988	7990'	
		La Gen	Lo. 0 on. Event	JL RA SUI Scurlock	JL RA SUJ	S (S) WIN	
JL RB S +/- 1280		( <del>*</del> )	6957' JL RA	Barnwell 5860	Excalibur Harris 10,200' J	(0,200' JL RA SUK	JL RA SUKK
3		JL RA	SUB	Lo. Gon.  Even: JL RA SUA Brown	Herris	JAMES RC SUH	
		SUC 7390' Terra 7390' English \$\frac{1}{2}\text{La.Gen.} \$\frac{1}{2}\text{C}\$		(\$)0300, \$\\$\\$	6981 Excelleur Oliver JL RA SUM	JL RA GUL	JL RA SUTT
				6975'	8152	Silver Ces CUSS	
		6	\$432	7100' <del>JL RA GUN</del>	JL RA SUO \$	# JL RA SUUL	II DA CURUI
		JL RA SUD		12	7650'	8ed5.	JL RA 5000
		JL RA SUT		JAMES RC SUC	JAMÈS RÇ SUB	JAMES RC SUA	JL RA SU56
				<del>JL RA SUS</del> Silver Ock <i>Rascoe</i>	UL RA SUR Pinnacie Fard (♣)	J <del>JL RA SUQ</del>	3E NA 3036
15		JL RA SU Marshall Matthews		JL RA SUV	1 JL RA SUW	<del>JL RA SUX</del>	
				JAMES RC SUD	JAMES RC SUE	JAMES RC SUF	JL RA SU57
		L _ 10.235_14.		, <del>JL RA SUAA</del> \	JA RA SÚZ	17	16
		JL RA SUBB	<b>♦</b> ••••••••••••••••••••••••••••••••••••	Marshall Marshews	Pinnacle Sabine Upitit	<del>JL RA SUY</del>	JL RA SU60
		6204			·— · <del>(</del> *)— · — ·	DeSoto Ph. 10	
1			Norwood		Hassie Hunt <i>Whitney</i>	<del>JL RA SU61</del>	JL RA SU62
James RA (	s <del>uo</del>	8250' <del>James RA SUC</del> <b>23</b>		James RA SUB 24	ہٰ۔ <sub>6724</sub> 19	JAMES RC SUG 20	
22		20		MRT Waltney	James RA SUA	<del>JL RA GU66</del>	JL RA SU65
JA RB SUH		JA RB S PROPOSED BENSON JAMES (+/- 640 AC.)			MES RC UNITS	ŀ	
(Brighton) MRT Whitney \$\inspec^9 27 8781' James RA SUG		(+/- 640 AC.)  Evel Cho BENSON FIELD UNITS					
		James RA :			s	Pinnacle Operating Company, Inc.	
		26		DISSOLVED OR TO BE D		Proposed JAMES RC Units	
CONVERSE FIELD				ACTIVE JAMES LIME PR		Benson Field DeSoto & Sabine Parishes, Louisiana	
				INACTIVE JAMES LIME F	PRODUCER	Decolo & Sabine Pa	nones, Louisiana